

**REAL ESTATE APPRAISERS BOARD  
MINUTES  
AUGUST 24, 2011**

**PRESENT:** Marla Britton, Sharon Fiedler, Lawrence Nicholson, Edward Potter, Henry Simon

**ABSENT:** Jose Perez

**STAFF:** Dan Williams, Bureau Director; Lydia Thompson, Legal Counsel; Karen Rude-Evans, Bureau Assistant; other DSPS staff

**GUESTS:** Debbi Conrad, Wisconsin Realtors Association; Jenny Tidwell and Neal Fenochietti, Federal Auditors

**CALL TO ORDER**

Marla Britton, Chair, called the meeting to order at 9:10 a.m. A quorum of five (5) members was confirmed.

**APPROVAL OF AGENDA**

**Amendments:**

- Under PRESENTATION OF PROPOSED STIPULATIONS (open) - one additional stipulation:
  - John F. Hochrek - 11 APP 021
- Item E, (open) – add Memo from Appraisal Subcommittee regarding Mandatory AQB Criteria for State Licensed Appraisers
- Item G (open) – MEETING AND DISCUSSION WITH FEDERAL AUDITORS – this item is moved to after closed session, immediately following when the Board reconvenes to open session
- Under DELIBERATION OF PROPOSED STIPULATIONS (closed) - one additional stipulation:
  - John F. Hochrek - 11 APP 021
- Case Status Report – insert at the end of closed session items

**MOTION:** Edward Potter moved, seconded by Lawrence Nicholson, to approve the agenda as amended. Motion carried unanimously.

## **APPROVAL OF MINUTES OF MAY 11, 2011**

**MOTION:** Edward Potter moved, seconded by Henry Simon, to approve the minutes of May 11, 2011 as written. Motion carried unanimously.

## **ADMINISTRATIVE REPORT**

Dan Williams reported the out of state travel policy has been revised. Travel that is funded by a third party will now be considered provided there is no cost to the State. The Department of Regulation and Licensing has been renamed the Department of Safety and Professional Services.

## **PRESENTATION OF PROPOSED STIPULATION(S)**

DOE attorney Pete McCombs presented the following proposed stipulation:

- John F. Hochrek – 11 APP 021

All proposed stipulations will be deliberated in closed session.

## **BOARD REVIEW AND DISCUSSION OF ADDING RL'S AND STATUTES AS A CROSS REFERENCE TO THE USPAP DISCIPLINARY MATRIX**

DOE attorney Peter McCombs reviewed and discussed the disciplinary matrix with the Board. The Board recommended several language changes.

**MOTION:** Sharon Fiedler moved, seconded by Lawrence Nicholson, to adopt the language changes to the disciplinary matrix and to have this as a standing agenda item. Motion carried unanimously.

## **BOARD REVIEW AND DISCUSSION OF 2011 SUMMARY OF ACTIONS RELATED TO PROPOSED USPAP CHANGES (ADOPTED APRIL 8, 2011)**

The Board reviewed the proposed USPAP changes. Dan Williams informed the Board there is a video presentation of this information on the Appraisal Foundation website.

## **BOARD REVIEW AND DISCUSSION OF THE FOURTH EXPOSURE DRAFT OF PROPOSED REVISIONS TO THE FUTURE REAL PROPERTY APPRAISER QUALIFICATION CRITERIA**

The Board discussed with Jenny Tidwell, Federal Auditor, the fourth exposure draft of the proposed revisions to the future real property appraiser qualification criteria.

### **PRACTICE ISSUES**

There were no practice issues.

### **LEGISLATION AND ADMINISTRATIVE RULES**

There were no additional issues to discuss.

### **BOARD MEMBER ACTIVITY**

There were no activities to report.

### **NEW BUSINESS**

#### **New Mandates for UAD**

Board members expressed concerned about format of the UAD and USPAP compliance. The changes will be effective September 1, 2011.

**MOTION:** Marla Britton moved, seconded by Edward Potter, to remind all credentialed appraisers that the use of forms does not guarantee USPAP compliance, and it is the appraiser's responsibility to determine compliance with USPAP. Motion carried unanimously.

#### **Licensing of AMC's**

The Board discussed the licensing of AMC's.

**MOTION:** Sharon Fiedler moved, seconded by Lawrence Nicholson, that the Board shall regulate appraisal management companies (AMC's). Motion carried unanimously.

## **INFORMATIONAL ITEMS**

The Board discussed the information from the Appraisal Subcommittee related to the mandatory AQB criteria for state licensed appraisers.

## **PUBLIC COMMENTS**

There were no public comments.

## **CONVENE TO CLOSED SESSION**

**MOTION:** Edward Potter moved, seconded by Sharon Fiedler, to convene to Closed Session to deliberate on cases following hearing (s. 19.85(1) (a), Stats.; to consider licensure or discipline (s. 19.85(1)(b), Stats.; to consider individual histories or disciplinary data (s. 19.85(1)(f), Stats.; and, to confer with legal counsel (s. 19.85(1)(g), Stats. Motion carried by roll call vote: Marla Britton-yes, Sharon Fiedler-yes; Lawrence Nicholson-yes; Edward Potter-yes, Henry Simon - yes.

Open Session recessed at 11:55 p.m.

## **RECONVENE TO OPEN SESSION**

**MOTION:** Edward Potter moved, seconded by Henry Simon, to reconvene into Open Session. Motion carried unanimously.

Open session reconvened at 1:31 p.m.

## **MEETING AND DISCUSSION WITH FEDERAL AUDITORS**

Federal Auditors Jenny Tidwell and Neal Fenochietti reviewed the results of the audit with the Board. A letter will follow as to the official result of the audit.

## **VOTING ON ITEMS CONSIDERED OR DELIBERATED UPON IN CLOSED SESSION**

**PROPOSED STIPULATIONS, FINAL DECISIONS AND ORDERS**

**THOMAS J ELLIOTT**

**10 APP 030**

**MOTION:** Henry Simon moved, seconded by Lawrence Nicholson, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against Thomas J. Elliott. Motion carried unanimously.

**WILLIAM H HUGHES**

**10 APP 032**

**MOTION:** Edward Potter moved, seconded by Sharon Fiedler, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against William H. Hughes. Motion carried unanimously.

**MARCIAL GALANG**

**10 APP 048**

**MOTION:** Lawrence Nicholson moved, seconded by Sharon Fiedler, to withdraw the Board's previous approval of the Proposed Decision and accept the stipulation in lieu of the alternative discipline and to reject the ALJ's proposed decision in the disciplinary proceedings against Marcial Galang. Motion carried unanimously.

**JACK D POULSON**

**10 APP 054**

**MOTION:** Henry Simon moved, seconded by Edward Potter, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against Jack D. Poulson. Motion carried unanimously.

**JAMES B BROWN**

**10 APP 057**

**MOTION:** Edward Potter moved, seconded by Sharon Fiedler, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against James B. Brown. Motion carried unanimously.

**RENE C HESS**  
**10 APP 066 AND 11 APP 015**

**MOTION:** Sharon Fiedler moved, seconded by Edward Potter, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against Rene C. Hess. Motion carried unanimously.

**JOHN F HOCHREK**  
**11 APP 021**

**MOTION:** Edward Potter moved, seconded by Lawrence Nicholson, to adopt the Findings of Fact, Conclusions of Law, Final Decision and Order in the disciplinary proceedings against John F. Hochrek. Motion carried unanimously.

**ADMINISTRATIVE WARNINGS**

**09 APP 075, C.L.S.**

**MOTION:** Edward Potter moved, seconded by Sharon Fiedler, to issue the Administrative Warning to respondent C.L.S. in case **09 APP 075**. Motion carried unanimously.

**10 APP 021, J.J.W.**

**MOTION:** Larry Nicholson moved, seconded by Edward Potter, to withdraw the previous Administrative Warning issued at the May 11, 2011 meeting and to issue the current Administrative Warning to respondent J.J.W. in case **10 APP 021**. Motion carried unanimously.

**10 APP 051, P.B.W.**

**MOTION:** Sharon Fiedler moved, seconded by Edward Potter, to issue the Administrative Warning to respondent P.B.W. in case **10 APP 051**. Motion carried unanimously.

**10 APP 055, C.W.H.**

**MOTION:** Edward Potter moved, seconded by Henry Simon, to issue the Administrative Warning to respondent C.W.H. in case **10 APP 055**. Motion carried unanimously.

**10 APP 056, S.A.V.**

**MOTION:** Sharon Fiedler moved, seconded by Edward Potter, to issue the Administrative Warning to respondent S.A.V. in case **10 APP 056**. Motion carried unanimously.

**CASE CLOSINGS**

**10 APP 069**

**MOTION:** Lawrence Nicholson moved, seconded by Edward Potter, to close case **10 APP 069** for no violation. Motion carried unanimously.

**10 APP 074**

**MOTION:** Edward Potter moved, seconded by Henry Simon, to close case **10 APP 074** for insufficient evidence. Motion carried unanimously.

**10 APP 071**

**MOTION:** Edward Potter moved, seconded by Lawrence Nicholson, to close case **10 APP 071** for insufficient evidence. Motion carried unanimously.

**11 APP 001**

**MOTION:** Edward Potter moved, seconded by Sharon Fiedler, to close case **11 APP 001** for no violation. Motion carried unanimously.

**11 APP 005**

**MOTION:** Sharon Fiedler moved, seconded by Edward Potter, to close case **11 APP 005** for prosecutorial discretion (P1) with a recommendation for a letter of education. Motion carried unanimously.

**10 APP 064**

**MOTION:** Edward Potter moved, seconded by Sharon Fiedler, to close case **10 APP 064** for prosecutorial discretion (P1). Motion carried unanimously.

**MONITORING**

**ROSS LARSSON**

**MOTION:** Sharon Fiedler moved, seconded by Edward Potter, to grant the request to Ross Larsson for a six-month extension from September 14, 2011 to complete the required educational coursework, General Appraiser Income Approach Parts 1 and 2. If the education is not completed within this time his license will be suspended. Mr. Larsson will need to petition the Board for the removal of the limitations. Motion carried unanimously.

**DONALD WALDVOGEL**

**MOTION:** Lawrence Nicholson moved, seconded by Henry Simon, to grant the request to Donald Waldvogel for an extension of time to September 1, 2012 to complete the required education and to deny the request for a substitution of the seven hour USPAP course. Motion carried unanimously.

**PROCEDURE FOR CASE HANDLING**

**MOTION:** Sharon Fiedler moved, seconded by Lawrence Nicholson, that for cases where there is an open investigation of an active Real Estate Appraisers Board member or an active Real Estate Appraisers Application Advisory Committee member, ALJ decisions will be adopted as written by the ALJ. Any other disciplinary reviews, such as a case closing, a stipulation or other discipline, and all non-disciplinary reviews such as an administrative warning, shall be delegated to the Secretary of the Department or his designee. Motion carried unanimously.

**ADJOURNMENT**

**MOTION:** Henry Simon moved, seconded by Lawrence Nicholson, to adjourn the meeting at 3:06 p.m. Motion carried unanimously.